

**Supplemental Reporting Document
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October 2007 Investment Committee Meeting
(August 2007 Reporting Period)**

Activity Reports

Alternative Investment Management Program
Risk Managed Absolute Return Strategies Program
Real Estate Opportunistic Program



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October 15, 2007

SUPPLEMENTAL ITEM

TO: MEMBERS OF THE INVESTMENT COMMITTEE

I. SUBJECT: Activity Reports

II. PROGRAMS: Alternative Investment Management (AIM)
Risk Managed Absolute Return Strategies (RMARS)
Real Estate Opportunistic (REO)

III. RECOMMENDATION: Information only

IV. ANALYSIS:

Staff from AIM, RMARS, and REO are required to report the status of investment proposals received by their respective program on a monthly basis. Staff from these areas have prepared an activity report for the month of August 2007.

V. STRATEGIC PLAN:

Goal VIII: Manage the risk and volatility of assets and liabilities to ensure sufficient funds are available, first, to pay benefits and second, to minimize and stabilize contributions.

Members of the Investment Committee
October 15, 2007
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VI. RESULTS:

Attached are results containing the status of investment proposals received by AIM, RMARS, and REO.

Matthew Flynn
Division Chief

Anne Stausboll
Chief Operating Investment Officer

Russell Read
Chief Investment Officer



***** OPEN SESSION MATERIAL *****
AIM PROGRAM
SUMMARY MONTHLY REPORT: PROPOSALS IN PROCESS
REPORT PERIOD: 8/1/2007 TO 8/31/2007

ACTIVITY SUMMARIZED	ACTIVITY FOR REPORT PERIOD	2004	2005	2006	2007 YTD	Since Program Inception
<u>INVESTMENT ACTIVITY</u>						
Investment Proposals Entered	41	381	316	301	326	6408
Declined/Referred/Failed to Materialize	34	223	429	261	280	5134
Deals in Screening	35	397	319	301	326	3422
Due Diligence Reviews	26	65	59	61	58	647

Notes:

- Current YTD information is through the end of the report period.
- Deals in Screening and Due Diligence reviews for the activity report period represent deals remaining in Screening and Due Diligence at the end of the report period. For all other time periods, deals in Screening and Due Diligence represent deals which entered Screening or Due Diligence during that time period.

CalPERS RISK MANAGED ABSOLUTE RETURN (RMARS) PROGRAM

August 2007

MANAGER ACTIVITY	2001	2002	2003	2004	2005	2006	2007	Since Program Inception
Information Received	88	170	181	59	59	69	61	687
Declined	34	81	108	12	7	1	0	243
Screening	48	80	72	45	58	68	61	432
Allocations Approved by RMARS Board	0	25	8	6	18	52	36	145
New ARS Funds approved by the RMARS Board	0	12	1	4	7	9	4	37
MANAGER AMOUNTS (\$ in millions)								
Funded	\$0	\$485	\$95	\$149	\$783	\$1,809	\$1,439	\$4,759

Real Estate Investment Office
Opportunistic/International Fund Program
October 2007
(August 2007 Activity)

Fund Name	Date Closed	Product Type	Sector	Allocation Committed	Net Expected Return
LaSalle Asia Opportunity Fund III	8/7/07	Diversified	International	\$200,000,000	18%
Xander JV Fund I LLC	8/17/07	Diversified	International	25,000,000	25%
Xander Cassander L.P.	8/17/07	Diversified	International	175,000,000	16%
CIM Infrastructure	8/23/07	Infrastructure	Opportunistic	200,000,000	10%-12%
Total				\$600,000,000	